

Mr. ISSA. Madam Speaker, earlier this year, I introduced H.R. 2392, the “Government Information Transparency Act,” to make federal reporting of taxpayer dollars more accessible to the American people. In committee, Chairman EDOLPHUS TOWNS and I were able to work on a bipartisan basis to get key provisions of this legislation into S. 303, which is now under consideration by the House.

The Government Information Transparency Act instructs the Office of Management and Budget to designate a single data standard for the collection, analysis, and dissemination of business and financial information required to be reported to the federal government.

The federal government mandates disclosure of large amounts of information: financial filings by public companies, call reports by financial institutions, various disclosures by federal contractors, reports by recipients of taxpayer-funded grant money, and the list goes on. Too often, these disclosures are in formats that don’t permit electronic searches and comparisons. Some disclosures, in fact, are still made using paper. Moreover, the formats vary from agency to agency, and even within agencies. Unwieldy and incompatible data formats make reported information much less useful than it could be. Even worse, it creates complex and overlapping layers of reporting that serve as the breeding ground for wasteful government.

Information reported to the federal government needs to become both fully searchable and fully standardized. Modern information technology can bridge these two gaps. An interactive data standard that relies on electronic tags to individually identify each element of information can render every piece of data separately readable by software. This interactivity allows the creation

of databases that are far more useful than sequential, plain-text financial reports. And if the same standard were applied to every federal agency's disclosure programs—securities, banking, grants, contracts, and so on—unprecedented searches and comparisons would become possible.

So, the Government Information Transparency Act requires the OMB to set up a single interactive data standard for reported information—a standardized, universal, and machine-readable format that will be made available to the general public. The use of a single data standard will still allow agencies to be flexible in how they require information to be submitted. Sophisticated companies might be asked to submit large data files; small companies and nonprofits could fill in Web-based forms that would automatically encode each element on their reports. The result: every report would be computer-readable, and the underlying data could be more easily extracted, searched, and analyzed.

Financial and business information in a uniform format will be more transparent, and thus more accessible for public critique. Fraudulent transactions and irresponsible risk-taking can be more easily detected, search costs are reduced, and companies will be put under greater pressure to explain the underpinnings of the financial statements they release. Instead of assigning an immense oversight responsibility to a handful of federal employees, we can now enable the public to act as citizen-regulators. And because information reported to different agencies will become compatible, investors, watchdog groups, and analysts will have powerful new searches at their disposal.

The Government Information Transparency Act also requires a single data standard for federal financial information, to bring the same interactivity and compatibility to the disclosures put out

by federal agencies. By making this kind of information more accessible to the general public, we are unleashing the very best government watchdogs—the American people themselves—to expose waste, fraud, and abuse of their tax dollars.

For business and financial information, the sunlight of transparency has always been the best disinfectant. Our Government Information Transparency Act, added to S. 303, will make that sunlight brighter and clearer than ever.